



IMPERIAL SUGAR COMPANY

ROBERT A. PEISER
PRESIDENT &
CHIEF EXECUTIVE OFFICER

April 26, 2005

Honorable Charles E. Grassley
Chairman
Senate Committee on Finance
219 Senate Dirksen Office Building
Washington, DC 20510-6200

Dear Mr. Chairman:

On behalf of Imperial Sugar Company, I urge your strong support of the Central American Free Trade Agreement (CAFTA), including its provisions allowing a small increase in sugar imports from our Latin American trading partners. Imperial supplies approximately 20 percent of US sugar consumption. Imperial grows no sugar itself. In 2006, we will purchase from independent cane and beet growers in the United States about half of the sugar we refine and sell. The remainder of our raw sugar supply requirements will need to be obtained from offshore sources through the tariff rate quota program. Almost all of the raw sugar that we import will be refined at our refinery in Savannah, Georgia, and that foreign sugar will represent virtually 100% of the raw sugar refined at that Savannah plant.

The ability to secure reliable, high quality supplies of imported sugar to augment what we can purchase domestically is critical to maintaining both our competitiveness and our ability to provide consumers and industrial users with a sufficient supply of quality refined sugar. As indicated above, imported sugar is especially important to maintaining the viability of our Savannah facility which benefits our customers, our direct employees and all of those outside the company whose livelihoods are dependent on the operation of that facility.

We urge your favorable and expeditious consideration of CAFTA without side agreements which might mitigate or eliminate access to the sugar imports contemplated by the treaty.

Very truly yours,

Robert A. Peiser